
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 2.25.2010

Wall Street Journal: "Bonus Blowback Bypasses Brokers ... Bonus has become a bad word for traders, investment bankers and top executives at Wall Street securities firms. For thousands of brokers, though, the big bucks just keep rolling in."

Wall Street Journal: "Dodd Upbeat On Financial Overhaul But 'No Deal Tonight' ... Senate Banking Committee Chairman Christopher Dodd (D., Conn.) and Sen. Bob Corker (R., Tenn.) met for roughly an hour Wednesday evening with Treasury Secretary Timothy Geithner to discuss the financial regulatory overhaul in Mr. Dodd's Capitol Hill office. Talks are intensifying as Messrs."

Wall Street Journal: "Credit-Rating Firms Amplify Jitters ... The world's leading credit-ratings firms-Moody's Investor Service Inc., Standard & Poor's Corp. and Fitch Ratings-were lambasted months ago for putting top-notch grades on what turned out to be dodgy mortgage-related securities."

Wall Street Journal: "Bernanke Stresses Need for Low Rates ... After taking several small steps recently to take the financial system off life support, Federal Reserve Chairman Ben Bernanke made clear Wednesday that he wasn't close to the more momentous act of raising interest rates, thus tightening credit."

Wall Street Journal: "Is Ben Bernanke Fed Up With the Deficit? ... On Wednesday, Federal Reserve Chairman Ben Bernanke submitted written testimony to the House Committee on Financial Services, as part of the central bank's semiannual report on monetary policy."

Wall Street Journal: "Bernanke Says Fed Actively Ramping Up Bank Supervision ... There's been a lot of talk on Capitol Hill about who should be given the power to oversee the country's largest financial companies. Based on Federal Reserve Chairman Ben Bernanke's testimony to the House Financial Services Committee on Wednesday, it sounds like Fed officials aren't waiting around for Congress to act."

Wall Street Journal: "The Big Bank Excuse ... On Capitol Hill, the Obama plan to create a Consumer Financial Protection Agency has been failing on the merits. But rather than examine why so few people want a new bureaucracy deciding which financial services Americans can use, the left has chosen instead to blame Wall Street for blocking its creation. Just one problem: Wall Street doesn't oppose it."

Wall Street Journal: "Silicon Valley Is Not Wall Street ... Too often, there is confusion between investment banking and venture capital. This isn't helped by investment bankers' occasional assertions that they too do venture capital."

Washington Post: "Obama may compromise on consumer agency to pass financial regulation ... The Obama administration is no longer insisting on the creation of a stand-alone consumer protection agency as a central element of the plan to remake regulation of the financial system."

Washington Post: "Bernanke seeks to preserve Fed's power by compromising with Congress ... Federal Reserve Chairman Ben S. Bernanke launched a wide-ranging effort Wednesday to fend off congressional efforts to take powers away from the central bank, laying out a series of compromises and olive branches meant to defuse lawmakers' criticism."

Washington Post: "Fed chief Bernanke expects extended hold on interest rates ... Expect ultra-low interest rates from the Federal Reserve for some time to come, Chairman Ben S. Bernanke said Wednesday."

Washington Post: "Hoping to prevent stock meltdowns, SEC passes short-selling rules ... The Securities and Exchange Commission enacted new restrictions on short selling on Wednesday aimed at restoring investor confidence by preventing speculators from pouncing on stocks already in a tailspin."

Washington Post: "Freddie Mac posts loss, but says federal aid not needed for now ... Freddie Mac, one of the two big mortgage finance companies taken over by the government, said Wednesday that it's still losing billions of dollars but has received enough taxpayer assistance that it doesn't need any more help for now."

Washington Post: "Second phase of Credit CARD Act changes begins ... "Credit card debt, does it ever end?" That's a haunting line delivered by comedian Amy Poehler in a 2006 "Saturday Night Live" skit also featuring Steve Martin and Chris Parnell. The sketch was brilliantly and simply titled "Don't Buy Stuff You Cannot Afford." (You can view it at Hulu.com)."

NY Times: "Banks Bet Greece Defaults on Debt They Helped Hide ... Bets by some of the same banks that helped Greece shroud its mounting debts may actually now be pushing the nation closer to the brink of financial ruin."

NY Times: "Finance Bill Compromise Appears Likely ... As part of an effort to save a financial regulation bill, the Obama administration is prepared to agree that an existing agency, rather than a new agency, could take responsibility for consumer protections as long as the regulators have substantive powers."

NY Times: "Bernanke Expects Extended Low Rates ... Ben S. Bernanke, the Federal Reserve chairman, told Congress on Wednesday that the central bank did not intend to start raising short-term interest rates anytime soon, saying the economic recovery would remain halting for many more months."

NY Times: "Senator Questions Bank Fees on Stimulus Bonds ... Senator Charles E. Grassley of Iowa has asked Goldman Sachs to clarify how much it has collected in underwriting fees as states and cities issue so-called Build America Bonds to raise money for infrastructure projects and create jobs."

NY Times: "Loan-Sharking Inc. ... The Credit Card Accountability, Responsibility and Disclosure Act, signed into law last spring, was supposed to put an end to many of the deceptive practices that allowed credit card issuers to bleed customers dry. The most important provisions went into effect earlier this week, but credit card companies have already found ways to evade the law. Congress and federal regulators need to do a lot more."

USA Today: "Freddie Mac loses \$7.8B in 4Q, may need more taxpayer cash ... Freddie Mac(FRE) lost \$7.8 billion in the final three months last year, but the mortgage finance company didn't need a federal cash infusion for the third quarter in a row."

Washington Times: "Bernanke delivers warning on U.S. debt ... With uncharacteristic bluntness, Federal Reserve Chairman Ben S. Bernanke warned Congress on Wednesday that the United States could soon face a debt crisis like the one in Greece, and declared that the central bank will not help legislators by printing money to pay for the ballooning federal debt."

Politico: "Bernanke: Jobs picture still grim ... Federal Reserve Chairman Ben Bernanke didn't give lawmakers much to cheer about Wednesday on the economic recovery front."